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purpose, contribute needed information on the vexed topic of women's economic relations.

EMILIE LOUISE WELLS.

Vassar College.

Unemployment. By A. C. PIGOU. Home University Library of Modern Knowledge, No. 79. (New York: Henry Holt and Company. 1913. Pp. viii, 256. \$.50.)

"This volume is the work of an economist" and "what distinguishes economists from the less patient of practical philanthropists," according to the author, is that an economist must found his measures for reform upon a close and thorough study of economic life as a whole. To do otherwise is to run the great danger of having unlooked for evils result from attempts at social amelioration. With this introduction Professor Pigou proceeds to find the meaning and measurement of unemployment and concludes: "We are able to define unemployment and to detect its growth and diminution, but adequately to measure its quantity is a task to which our present resources are at present unequal."

The outstanding idea through the whole volume is that "unemployment is wholly caused by maladjustment between wage-rates and demand" for labor, and the main inquiry of the book is into the influences which bring about this maladjustment. The idea is developed by explaining "the theoretical possibility that wage-rates at any moment and in every part of the industrial field can be so adjusted to demand for labor of various grades that no unemployment whatever can exist"; and the conclusion from this reasoning is that the most potent of the influences for causing maladjustment and unemployment are the attempts to maintain rigid wage-rates by means of trade unions and minimum-wage laws.

Fluctuations in demand for labor are ascribed mainly to conditions of credit and currency, and the author suggests modifications and improvements for making the demand more stable. The rest of the volume is mainly a discussion of theoretical consequences of direct state action, insurance and relief works for the unemployed. Those measures which logically seem to lead to a reduction of maladjustment and fluctuations are approved. The others are condemned.

Here we have speculative political economy at its best. Professor Pigou does not base his logic entirely on theoretical prin-

ciples. Government reports and the results of other researches are amply quoted as foundations for the logical deductions. But the fact that the book is one of the best of its kind, shows so much more strikingly the essential weakness of its method. The author calls it scientific, but logic must leave out of account the details of social relations and the slowly developed institutions on which they are based; and while its conclusions may be susceptible of theoretical proof, it does not bear the test of empirical science and practical affairs.

To cite but two examples: Professor Pigou contends that if wages went up and down with demand for labor, unemployment would be lessened. The wages of common laborers in most parts of this country fluctuate from about fifteen cents an hour in the winter to about twenty-five cents in the summer. Union wages ordinarily are maintained through both busy and slack seasons. There is no evidence whatever to show that common laborers suffer less unemployment than the organized trades. On the contrary, the indications are the other way. Again, it is taken as established (p. 149) that the more perfect is the mobility of labor, the smaller will be the average amount of unemployment; and the theoretical possibility of more unemployment being caused by wandering in search of work is put down as in practice too improbable to require serious consideration. One of the very greatest problems in this country at the present time is unemployment among migratory laborers and the growing class of hobo or wandering workers.

A study of unemployment that is really scientific can never attain the preciseness of definition and conclusion that Professor Pigou lays down; but what it can bring is practical (not necessarily logical) measures that meet the needs of the day. If it is "the cold clarity of science" that gives us definitions like this:

The amount of unemployment, which exists in any industry, is measured by the number of hours' work—assuming, of course, a given efficiency for each hour's work—by which the employment of the persons "attached to" or "occupied in" that industry falls short of the number of hours' work that these persons would have been willing to provide at the current rate of wages under current conditions of employment (p. 16);

and conclusions like this:

The average volume of unemployment in any country will be larger, the more widely the demand for labour in the industries carried on in that country is liable to fluctuate (p. 244),

then we can understand the average man's distrust of scientific economics.

W. M. LEISERSON.

The Establishment of Minimum Rates in the Chain-Making Industry under the Trade Boards Act of 1909. Studies in the Minimum Wage, No. 1. By R. H. TAWNEY. (New York: The Macmillan Company. 1914. Pp. xiii, 157. \$.50.)

Mr. Tawney's book is the first of a series in which it is proposed to examine some of the attempts which have recently been made in Great Britain to establish and enforce under authority of law minimum standards of payment for labor. His method, unlike that of most previous writers on the subject, who have approached it either from the standpoint of economic theory or from that of the student of administrative machinery, is to appeal to the light of experience—a method which has not previously been practicable outside of Australia.

What are the indirect effects of a rise in wages brought about by the intervention of a minimum wage board? Does the establishment of a legal minimum lead to the dismissal of the slower or older workers, to a rise in prices to the consumer, to greater efficiency on the part of the workers or the management, or both? Does it hamper industry in the face of foreign competition, or does it confirm the allegation that a relatively high minimum wage is compatible with cheap production? On what principles are the minimum rates to be fixed? Should they be the "highest that the trade will bear"? Or should they be based on some rough idea as to what constitutes a living wage? These are some of the questions which inspire the author's study and to many of which he does not fail to give a clear and definite answer. It is obvious, however, that to answer some of these questions a longer period of experience with the operation of the legal minimum wage is necessary than has elapsed since the fixing of the minimum rates in the chain-making industry, beginning in 1910. In the case of others, moreover, answers derived from experience in the chain-making industry would not necessarily indicate what might be expected to happen in any other industry. All these qualifications of the results of his study the author is careful to point out.

The experience of the chain trade board indicates that it is possible to fix and enforce minimum rates of payment for a highly technical industry, and to do so with the approval of all the